

Senate Bill No. 225

CHAPTER 492

An act to amend Section 44559.11 of, and to add Section 44559.12 to, the Health and Safety Code, relating to the California Pollution Control Financing Authority, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 5, 2011. Filed with
Secretary of State October 6, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 225, Simitian. California Pollution Control Financing Authority: Capital Access Loan Program.

(1) The California Pollution Control Financing Authority Act establishes the Capital Access Loan Program for small businesses, administered by the California Pollution Control Financing Authority, which provides loans through participating financial institutions to qualifying small businesses. The authority is required to create a loss reserve account for each financial institution. The act authorizes the authority to enact regulations for the distribution of specified funds paid to the authority.

This bill would authorize the authority to establish loss reserve accounts for the purposes of financing terminal rental adjustment clause leasing, if funds are available for contribution into the loss reserve account from any source other than the authority. The bill would prohibit, for purposes of the loss reserve accounts for terminal rental adjustment clause leasing, the use of funds provided by the federal government for the purposes of providing a loan loss reserve program.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 44559.11 of the Health and Safety Code is amended to read:

44559.11. (a) It is the intent of the Legislature to ensure that the state, through the authority, may make maximum, efficient use of capital access programs enacted by all federal and state agencies, as well as funding available from any governmental program whose goals may be advanced by providing funding to the Capital Access Loan Program.

(b) In furtherance of this intent, and notwithstanding any other provision of this article, when the contributions required pursuant to Section 44559.4 are entirely funded by a source other than the authority, the authority may,

by regulation adopted pursuant to subdivision (b) of Section 44520, establish alternate provisions as necessary to enable the authority to participate in the alternative funding source program.

SEC. 2. Section 44559.12 is added to the Health and Safety Code, to read:

44559.12. (a) Consistent with subdivision (b) of Section 44559.11, the authority may establish loss reserve accounts for the purposes of financing terminal rental adjustment clause leasing, if funds are available for contribution into the loss reserve account from any source other than the authority. The authority shall not contribute any funds into a loss reserve account created pursuant to this section. Funds provided by the federal government for the purposes of providing a loan loss reserve program shall not be contributed to an account created pursuant to this section.

(b) The executive director may establish conditions for terminal rental adjustment clause leasing loss reserve accounts created pursuant to this section.

(c) As used in this section, “terminal rental adjustment clause” means “terminal rental adjustment clause” as defined in Section 7701(h)(3) of Title 26 of the United States Code.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that the Capital Access Loan Program may finance new programs for the protection of the environment, at the earliest possible time, it is necessary for this act to take effect immediately.